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OCT 16 1991

WISCONSIN EMPLOYMENT  
RELATIONS COMMISSION

**STATE OF WISCONSIN**

**BEFORE THE**

**WISCONSIN EMPLOYMENT RELATIONS COMMISSION**

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In the Matter of the  
Petition of

**LABOR ASSOCIATION OF WISCONSIN, INC.**  
For and on behalf of the **FOX POINT**  
**PROFESSIONAL POLICE OFFICERS PROTECTIVE**  
**ASSOCIATION, LOCAL 302**

**Case No. 21**  
**No. 44912**  
**MIA-1557**  
Decision No. 26869-A

For Final and Binding Arbitration  
Involving Law Enforcement Personnel  
in the Employ of

**THE VILLAGE OF FOX POINT**

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**APPEARANCES:**

**For the Association: Patrick J. Corragio**  
**Labor Consultant**

**For the Village: Roger E. Walsh, Esq.**  
**Davis & Kuelthau, S.C.**

The undersigned was designated by the procedures of the Wisconsin Employment Relations Commission to determine an interest arbitration between the parties. A hearing was held at Fox Point on July 16, 1991 at which time the parties presented sworn testimony, evidence and argument. Thereafter, they submitted post-hearing briefs, the last of which was received on September 19, 1991. After reviewing the entire record, the undersigned has issued the following opinion and award.

The arbitrator is required by the Wisconsin Statute §111.77 to select the final offer of one of the parties without modification. The only issue to be determined is the wage

increase for the years 1991 and 1992. The final offer of the Association is as follows:

Article IV - Salary, shall be modified as follows:

Employees Hired Before 1/1/91

<u>Effective 1-1-91 (3%)</u>	<u>Monthly</u>	<u>Annual</u>
1st Year	2,442.21	29,306.51
2nd Year	2,562.02	30,744.20
3rd Year	2,684.10	32,209.11
4th Year	2,820.05	33,840.59

Effective 7-1-91 (2%)

1st Year	2,491.06	29,892.64
2nd Year	2,613.26	31,359.09
3rd Year	2,764.62	33,175.38
4th Year	2,876.45	34,517.40

Effective 1-1-92 (3%)

1st Year	2,565.79	30,789.42
2nd Year	2,691.66	32,299.86
3rd Year	2,847.56	34,170.64
4th Year	2,961.75	35,552.92

Effective 7-1-92 (2%)

1st Year	2,617.10	31,405.20
2nd Year	2,745.49	32,945.86
3rd Year	2,904.51	34,854.06
4th Year	3,022.00	36,263.98

Employees Hired On or After 1-1-91

Effective 1-1-91 (3%)

1st Year	2,083.34	25,000.00
2nd Year	2,328.91	27,946.86
3rd Year	2,574.48	30,893.72
4th Year	2,820.05	33,840.59
<u>Effective 7-1-91 (2%)</u>		
1st Year	2,125.00	25,500.00
2nd Year	2,375.49	28,505.80
3rd Year	2,625.97	31,511.59
4th Year	2,876.45	34,517.40
<u>Effective 1-1-92 (3%)</u>		
1st Year	2,188.75	26,265.00
2nd Year	2,446.75	29,360.97
3rd Year	2,704.75	31,511.59
4th Year	2,962.75	35,552.92
<u>Effective 7-1-91 (2%)</u>		
1st Year	2,232.53	26,790.30
2nd Year	2,495.69	29,948.19
3rd Year	2,758.84	33,106.08
4th Year	3,022.00	36,263.98

The final offer of the Village is as follows:

Salary - Article 4

(a) New salary schedule for employees hired on or after January 1, 1991.

1991 Rates

1st Year	\$25,000.00
2nd Year	28,034.48

3rd Year	31,068.95
4th Year	34,103.43

In 1992, increase all of the above rates by 3.8%.

(b) For employees hired prior to January 1, 1991, increase rates on the existing July 1, 1990 salary schedule as follows:

Effective January 1, 1991	3.8%
Effective January 1, 1992	3.8%

The parties have engaged in an extensive bargaining over the renewal of a contract and reached agreement on a large number of items. However, the remaining issue is wages. On the wage issue, the Association did agree to reduce the starting salary for employees hired on or after January 1, 1991, which includes at least one officer. The effect of that agreement is to reduce the starting by \$3,452.00 for the year 1991.

Further facts will be set forth in the positions and arguments of the parties.

**POSITION OF THE PARTIES**

1. It is the position of the Association that its offer was within the statutory criteria because it is within the lawful authority of the Village of Fox Point to accept and abide by the terms of the Association's final offer.

2. The Association stresses that its willingness to lower the starting pay of a new patrol officer by \$3,452.00 is a significant saving to the employer and should be considered a quid pro quo for the Association's offer.

3. The Association stresses that the Village of Fox Point has the financial ability to meet the cost of its final offer and that the Village has not raised the ability to pay as an obstacle in this proceeding.

4. The Association stresses that the wage rates proposed are more comparable with the communities surrounding the Village. The North Shore communities consist of Bayside, Brown Deer, Glendale, River Falls, Shorewood, and Whitefish Bay. The Association notes the constant interaction professionally on a regular basis between these relatively small departments in the bedroom communities on the North Shore of Milwaukee. The Association objects to the Village's inclusion of the City of Mequon as an appropriate comparable community, because it is outside of the North Shore suburbs and it is considerably larger than Fox Point, plus it also has an industrial base.

5. The Association stresses that the criteria of interest and welfare of the public would be well served by the adoption of the Association's final offer because the acceptance of the City's final offer will mean that the Association members will receive on the average about 2¢ per month below the average of the seven communities; but in contrast, if the Village's final offer is accepted, the officers will be receiving a wage which is \$72.00 per month below the average.

6. The Association asserts that the external comparables support its offer. For 1991, the North Shore communities had an average wage increase of 4.9%, while the Association's final

offer of 3% on January 1, 1991, and a 2% raise on July 1, 1991 produces a compounded 5.1% increase over the 1990 salary. Thus, this wage increase request is only .2% higher than the average settlement on the North Shore communities. In contrast the Village's offer of 3.8% is 1.1% lower than the average.

For the year 1992, the Association again has requested a 3% effective on 1-1-92 and a 2% raise effective 7-1-92. The Association recognizes that with only 2/3 of the North Shore's departments settled for 1992, it is not clear what the exact average percent increase will be for salaries. However, the Association argues that there is no justification for the 3.8% offer by the Village because of the two settlements that have been recorded, Glendale is 5% and Brown Deer is 4.5%. The Village of Shorewood had previously offered 4½% in 1992. However, the employees have accepted a 3% across the board increase in consideration of the Association receiving dental insurance from the employer. The dental premium is valued at \$40.00 per month. No dental insurance is offered by the Village for Fox Point police. In addition, the Village of River Hills has agreed to a 4% raise effective 1-1-91. Therefore the range of settlements which have been reached in the North Shore range from 4½% to 5% in terms of value which is closer to the Association's offer of 5.1% than the 3.8% offered by the Village. The Association also asserts that its proposal is closer to the changes in the cost of living at the time of the hearing which was 4.9%.

7. Next the Association rejects the Village's argument that internal comparables should be determinative of the wage outcome. The Association rejects the Village's argument that the pattern of 3.8% accepted by the Department of Public Works and by the Fire Department should govern the Police bargaining. While recognizing a historical pattern of bargaining and comparability, the Association stresses that usually the Police have taken the lead in such bargaining. In this case, they did not. Moreover, the Association also stresses that the Village's claim of parity is misleading. For example, in the Firefighters' settlement, the agreement, in addition to the general wage increase, provided for an increase in the number of sick days to accumulate from 90 to 110. A Firefighter's sick day is 24 hours long and on an annual basis, that would amount of 480 hours of paid leave. In addition, Firefighters have also been granted an increase in the number of days that they can take when they retire from 45 to 55 or an increase in payment of \$1,265.39. While the Police have similar, but not identical benefits, no agreements were made in this round of bargaining to improve such benefits in 1991-1992.

The Association again stresses its agreement to reduce the starting pay as a significant cost saving to the employer which is estimated over the life of the contract to be worth at least \$7,222.00. The Association also stresses the overall compensation received by its Police officers. It points out that Fox Point is the only North Shore suburb that requires the officers to work a six day work week before they receive any time

off. The Association notes that its vacation schedule is below average with only Whitefish Bay having the same plan. All of the rest are better. The Association also point out that dental insurance is not offered to the Fox Point Police officers, but is available to three of the comparable communities. There are also only two communities in the North Shore that do not offer any benefit in the way health insurance for retirees, which is Fox Point and Bayside. The point being that not only is this a case for the Association to catch up on wages, but it is also a case for it to point out the level of fringe benefits. However, fringe benefits are not an issue in this proceeding but the value of overall compensation should be considered. For the reasons, the Association requests an award in its favor.

It is the position of the Village that the arbitrator should accept its offer as identical to the wage increases granted by the Village to the two other bargaining units, the Department of Public Works and the Firefighters. The Village point out that both groups voluntarily agreed to accept the 3.8% wage increases in both 1991 and 1992. The Village stresses that it has granted almost identical wage increases to all three bargaining units going back as far as 1986. Accumulated wage increases offered for the five years 1986 through 1990 were 20%. There were minor differences in the timing of the effect of such wage increases, but they have virtually been the same pattern. The Village stresses the importance of maintaining a pattern of parity between the Village Police officers and Firefighters and stating



that its offer now results in a paid differential of only \$6.00 per year on the annual wage of Police and Firefighters.

The Village points out that under the Association's final offer, the maximum Police officer rate would be \$421.00 above the Firefighter rate in 1991 and \$871.00 above the Firefighter rate in 1992. The Association cites a number of arbitration awards in favor of maintaining internal comparability.

Next the Village rejects the notion that the external comparables should be determinative of this case. With respect to the external comparables, the Village points out that Fox Point's average patrolmen's salaries have ranked among the seven North Shore communities as follows:

1986 - 6th, 1987 - 5th, 1988 - 7th, 1989 - 5th, 1990 - 5th, and under the Village's offer Fox Point would rank 7th in 1991.

However, under the Association's final offer, Fox Point would rank 4th, something they have not done in the past nine years.

The Village also points out that the Association's cumulative proposal of 5% and 5% for 1991 and 1992 are higher than the average increases for the North Shore communities in 1991 which average 4.6%. The Village points out that for the years 1987 through 1990, the cumulative wage increases for police have been Bayside - 17.9%, Brown Deer - 16.75%, Glendale - 15%, Mequon - 17.8%, River Hills - 15.0%, Shorewood - 16.45%, and Whitefish Bay - 15.8%, while the Village's cumulative rate for such period was \$16%. When the average of the external comparables are computed for the period 1987 to 1990, the average of the comparable

communities would 16.48% and for Fox Point 16%. The point being that the wage increase sought by the Association is well above the year-end average for the comparable communities. The Village again stresses that the internal pattern settlement should control the outcome of this proceeding and cites arbitration awards to that effect.

In sum, the Village asserts that its offer is a fair one and urges the arbitrator to accept its final offer.

#### DISCUSSION

This case involves a rather narrow choice because both parties have expressed sound arguments for their positions. In essence it is a contest as to whether internal or external comparables should govern in this round. However, under the final offer scheme, the arbitrator is compelled to select one offer over the other. After carefully reviewing the positions of the parties, the arbitrator is persuaded that the Association has made the better case and therefore will award the Association's final offer.

This award is made for the following reasons.

1. The Association has made a persuasive case based upon the total evidence which shows that its final offer which amounts of 5.1% increases for each year is closer to the average of the comparable communities, whether the 4.9% figure advanced by the Association or the 4.6% figure advanced by the Village is accepted than the Village's offer of 3.8% for two years. The

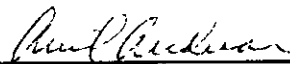
average ranking of the Fox Point Police would slide to 7th under the Village's proposal and would advance to 4th under the Association's proposal. It should be noted that Fox Point is fifth in population size among the seven North Shore communities. With the Association's offer, the wages of atop patrolman for 1992 will still be \$.02 per month below the average wage of \$3,022.01 per month, while the Village's offer would place the patrolman at \$72.07 below the average of the comparable communities. While there might be some basis for accepting that proposal, if the overall compensation received by Fox Point Police was at the average or better than the average; but it is not. However, the data indicates that the value of the overall fringe benefits tends to be lesser for Fox Point Police than for the average of the North Shore communities. For example they receive a \$300 uniform allowance, while the average for the North Shore communities is \$327.92. Fox Point does not provide health benefits for retirees, while all other North Shore communities pay some of the cost, except Bayside. Although retirees are not covered by the collective bargaining agreement, this is a reflection of the cost to the community of providing police services. Furthermore, Fox Point does not provide dental insurance. This benefit is provided by Glendale, Bayside and Shorewood. In addition, the Fox Point Police appear to have a less desirable work schedule. In sum, Fox Point does not offer as many fringe benefits as most North Shore communities.

As for the Village's main concern about internal comparables and particularly the parity with the Fire Department, the arbitrator has given this issue serious consideration. However, the Association pointed out and the Village did not deny or rebut the Association's claim that the Firefighters have received in 1991 and 1992 a substantial benefit in the increase in the number of sick leave days to which they are entitled and also the additional 10 days they can take upon retirement. Thus, it cannot be said that the 3.8% cost of the 1991-1992 Firefighters settlement is the actual cost when compared to the 3.8% without those additional fringe benefits offered to the patrolmen. The issue of police-fire parity can be addressed in future bargaining.

Thus, for all of the reasons stated above, it is my


**AWARD**

That the Association's final offer which is set forth above is adopted.



Arvid Anderson

Subscribed and sworn to before  
me this 4<sup>th</sup> day of October, 1991.



Joe Ann Prochaska, Notary Public  
State of Wisconsin  
My Commission Expires: 6-5-94